Approved For Release 2001/03/01 : CIA-RDP33-02415A000500390023-8

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OXR-0401
Copy 6 of 8

[illegible] 1960

MEMORANDUM FOR : Deputy Director (Plans)

25X1A SUBJECT : Disposition of materials and residual under Contracts Nos. AF-1925 and AF-4646, [redacted]
25X1A [redacted] and CONVAIR Corporations, Project OXSTO

REFERENCE : Memorandum for the Record, CMAL-3942-60

1. This memorandum sets forth a recommendation submitted for concurrence of the Deputy Director (Plans). Such recommendation is contained in paragraph 5.

2. During the Contracting Officer's recent trip as described in the referenced memorandum, several questions were posed by the subject Contractors regarding disposition of residual under their OXSTO contracts. Because of the high dollar value of this residual and the sums of money invested by the Agency in this program, it is felt that as a matter of
25X1A5a1 policy this should be brought to your attention.

3. In the case of [redacted], the Contractor had generated a considerable amount of residual property consisting of:

a. Raw materials
b. Parts in process
c. Completed parts and components
d. Two complete ramjet engines
e. Tooling
f. Technical data

The Contractor, acting in accordance with previous instructions from the Contracting Officer (coordinated with Mr. Kiefer and the Development Branch), has disposed of by transfer to existing Government contracts in house, all usable common materials, parts and components. Appropriate credits have been made to our contract. Contractor expressed a desire to sanitize and retain technical data produced under the contract and has submitted a final report of the work accomplished in a "sterile" form. All peculiar materials, parts, components, the completed engines and tooling have been held in temporary storage pending a

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requirement by the Project or the Air Force for possible future use. The Contracting Officer has been advised by Mr. Kiefer that the Project has no further requirement for this material.

25X1A [redacted] of the Air Force has advised that his organization has no known requirement. However, the "sterile" version of the final report is being made available to him for coordination with the Wright Air Development Center Power Plant Laboratory as a last resort. In the event the Air Force has no requirement, it is proposed that the Contractor be instructed to destroy and scrap all peculiar materials which are sensitive from a security standpoint. All other materials which may have a possible use on other Government work will be retained by the Contractor under Government property control procedures. The Contractor will certify that such material will be used at no cost on other Government contracts only. Your concurrence in this method of disposition is requested.

4. At CONVAIR, Fort Worth, the following types of material were generated under the contract and must be disposed of:

a. Electronic models
b. Wind tunnel models
c. Raw materials
d. Parts
e. Tools and fixtures
f. Facilities
g. Technical data

During the meeting with CONVAIR as mentioned in the referenced memorandum, the Contractor was given instructions as follows:

25X1A a. The Project would be responsible for all models and materials left at [redacted]

b. Pending approval of Project Headquarters, the Contractor could retain all wind tunnel models.

c. CONVAIR was to dispose of all materials, parts, tooling and fixtures of a non-sensitive nature by scrap or transfer to Government GFPY inventories for use on other Government contracts.

d. All electronic models and sensitive materials, parts and tooling were to be destroyed and scrapped, if possible.

e. CONVAIR was to furnish one copy of all reports generated under the contract and not heretofore submitted. Subject to Project Headquarters approval, Contractor desired to retain in a sanitized form all drawings and all design and technical data generated under the contract.

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SECRET

f. CONVAIR had acquired and charged to the contract the facility type items on the attached list. Item 4 (Blue Print Machine) and two (2) each of Item 5 (Calculators) had been siphoned off to Perkin-Elmer for the ORCART program. However, Item 5 was too large to fit through their door and
25X1A is presently in the [redacted] warehouse. CONVAIR is presently using all of the items under other Government contracts and requested that they be allowed to retain the remaining items. However, the list has been screened by LAC, [redacted] and Material 25X1A5a1
Branch for use in the ORCART program. LAC has requested Item 2 (Ditto Machine) and four (4) each of Item 5 (Calculators). P&W has requested Item 1 (Brazing Vacuum Frame), the balance of Item 5 (Calculators) and Item 7 (Rotary Furnace). Material Branch has requested Item 6 (Motor Reactors) for use at the
25X1A [redacted] If these requests were honored this would leave only Item 3 (White Printer) at CONVAIR. This would be transferred to their Air Force Facility contract for accountability purposes and would be used only in the performance of Government contracts. It is proposed that appropriate elements of DPD review the above requests and approve or disapprove the requirement for transfer from CONVAIR of the facilities.

5. Based upon the foregoing, it is recommended that you grant approval for the Contracting Officer to make disposition of the residual inventories under the subject contracts as set forth above.

25X1A [redacted]

WILLIAM PARKE
Colonel, USAF
Acting Chief, DPD-HD/P

The recommendation contained in paragraph 5 is approved:

/s/ See GUS-0402 22 Aug 68
RICHARD M. BISSELL, JR. Date
Deputy Director (Plans)

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DPD-HD/P[redacted]pf (8 Apr '68)
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Approved For Release 2001/03/01 : CIA-RDP33-02415A000500390023-8

Approved For Release 2001/03/01 : CIA-RDP33-02415A000500390023-8

CONCURRENCES:

SIGNED
[redacted] P. KIEFER
Special Assistant for
Technical Analysis
8 Aug 1960
Date

25X1A for [redacted]
Chief, Development Br., DPD
8 Aug. 1960
Date

25X1A for [redacted]
Chief, Material Branch, DPD
8/4/60
Date

25X1A9a
[redacted]
Chief, Contracts Branch, DPD
8/8/60
Date

Approved For Release 2001/03/01 : CIA-RDP33-02415A000500390023-8

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PROJECT FACILITIES AVAILABLE

ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	1	Bruning Traveling Light Vacuum Frame #52X4 64" x 180" complete with Vacuum Pump and Blanket, but not including glass	$ 9,950.00	$ 9,950.00
2	1	Duplicator, Electric, DITTO 18875 Copy surface is 18" x 13 1/2" and machine is cream and green in color.	1,353.28	1,353.28
3	1	Printer, White, Peck and Harvey Lancer Model with Variac Lamp intensity control from 5000 watts to 3000 watts. Power is 208 volts, 60 cycles, single phase.	5,269.00	5,269.00
4	1	Blueprint Machine, Revoluto 44 Automatic, 42", equipped with 150 watt quartz lamp 8 drum aluminum vertical dryer, high paper delivery, to operate throughout the entire speed range or 0 to 45 ft. per minute, wired for operation on 208 volts, 60 cycle, three phase A.C., machine equipped with stainless steel bearing hangers, rollers, chemical applicators, bulger bars in processor and Teflon coating two dryers, and including reversing switch.	11,375.00	11,375.00
5	17	Calculators, Rotary, automatic, electric, Monroe Model # 8[illegible]3	932.80	932.80
6	3	Scooter Motor, 2 passenger, 4 wheel, 12 volt ignition system, equipped with horn, head lights, tail lights, starter and generator combination, 7 quart gas tank and standard air filter, tires 18 x 5.50-8.	926.84	2,780.52
7	1	Rotary Furnace, Arcweld, 6 unit with Kanthal windings for maximum temperature of 2200 F and with Model #293-TUB Wheelco Capacitline Controller.	7,025.00	7,025.00

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